

PART 2 INDEPENDENT GROUPS

Chapter 16: Overview of Democratic Independent Groups

Federal election and tax laws attempt to ensure that groups registered as tax-exempt independent organizations are truly independent from partisan electioneering. To do so, several laws prohibit these organizations from (1) conducting “issue advocacy” if the advocacy is, in reality, nothing more than support for political candidates and (2) coordinating their activities with political committees or candidates (See Chapter 9). The Minority’s investigation of independent groups associated with the Republican Party, as discussed in Chapters 10-15 of this Report, focused on whether specific organizations violated these laws. The evidence shows that many of them clearly circumvented the law and some appear to have violated it. Several pro-Republican organizations closely coordinated their activities with the Republican Party, and some were directly funded by the Republican National Committee. In 1996 alone, the RNC gave nearly \$6 million to supposedly “nonpartisan” groups. Two tax-exempt organizations were even established by the RNC.

The Committee found no evidence that there was this level of coordination on the Democratic side. There was nothing in the files of the Democratic National Committee to compare with RNC memoranda showing close coordination with pro-Republican groups. Regarding issue advocacy, the Committee received little evidence supporting allegations that pro-Democratic independent groups conducted issue advocacy campaigns that served as nothing more than partisan electioneering. The evidence also shows that independent groups received very little money from the DNC. In all of 1996, the DNC contributed less than \$185,000 to independent groups, a tiny fraction of the RNC’s contributions to such groups. Of course, the Committee does not have a full picture of what happened during the 1996 election cycle, since many subpoenaed groups -- both pro-Democratic and pro-Republican -- refused to cooperate with the investigation.

The following chapters explore the Committee’s investigation of independent groups associated with the Democratic Party. The first two chapters discuss the Committee’s public investigation of these groups, which was limited to exploring allegations that Harold Ickes, former chief of staff in the White House, directed a potential contribution to groups including Defeat 209 and Vote Now ‘96 and allegations that two DNC officials directed a potential \$100,000 contribution to the re-election campaign of former Teamsters President Ron Carey’s. The last chapter summarizes allegations against a variety of other independent groups traditionally associated with the Democratic Party.

FINDINGS

- (1) During the 1996 election cycle, several independent groups spent millions of dollars to promote Democratic issues and possibly Democratic candidates through issue advocacy, and voter education and registration.**

(2) The evidence before the Committee, however, suggests that the Democratic Party did not play a central role in financing, or coordinating with, these groups.